



U.S. Department of Justice

*United States Attorney
Eastern District of Arkansas*

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**CONTACT: Jane W. Duke
United States Attorney
501-340-2600**

Three Charged in Conspiracy to Embezzle Social Security Administration Funds

Little Rock – Jane W. Duke, United States Attorney for the Eastern District of Arkansas, and Rob Childress, Special Agent in Charge, Social Security Administration - Office of Inspector General, Dallas Field Division, announced today that a federal grand jury has returned an indictment against three individuals for conspiring to embezzle funds from the Social Security Administration (SSA).

According to the indictment, Zelenka S. Herts, age 31, of Little Rock, was employed as a claims representative for SSA. The indictment alleges that Herts used her position to have unauthorized SSA benefit payments made into the bank accounts of Kendra Williams, age 31, and Penny Elston, age 43. Both Williams and Elston are also residents of Little Rock.

The alleged scheme involved Herts' abuse of the SSA "Critical Payment System" (CPS). Under this system, SSA is able to disburse benefits to eligible individuals on an expedited basis if the person is in urgent need of funds. According to the indictment, Herts unlawfully authorized multiple CPS distributions, collectively totaling \$104,182, all of which were made into the bank accounts of Williams and Elston. Williams and Elston then withdrew portions of the funds and the withdrawn monies were paid to Herts.

Count One charges the defendants with conspiring to defraud the SSA and is punishable by up to five (5) years in prison and a fine of up to \$250,000. Count Two, which carries the same statutory penalties as Count One, charges the defendants with theft of Disability Trust Fund monies in excess of \$1,000.

According to the latest figures released by the Social Security Administration, benefits in excess of \$509 million are paid each month to beneficiaries in Arkansas. Social Security

beneficiaries represented 20.8 percent of the Arkansas' total general population and 95.2 percent of those aged 65 and older. Social Security fraud impacts everyone; individuals are encouraged to report suspected Social Security fraud to the SSA OIG Hotline number at 1-800-269-0271.

This case was investigated by agents of the Social Security Administration - Office of Inspector General. Assistant United States Attorney Patricia Harris is prosecuting this case.

An indictment is only an allegation of wrongdoing based on probable cause. A defendant is presumed innocent until such time as adjudged guilty either by plea or jury verdict.

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